INFORMATION LETTER

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Senate Passes Wagner Labor Disputes Bill

The Wagner Labor Disputes bill (S. 1958) was passed by the Senate on May 16th by a vote of 63 to 12, with 19 senators not voting. All of the amendments proposed by the Committee on Education and Labor were approved, and amendments proposed from the floor rejected. The bill now goes to the House, where a companion measure introduced by Representative Connery is pending. The Connery bill differs from the Wagner bill chiefly in that it would place the Labor Relations Board under the Department of Labor.

Under the Wagner bill it would be the declared policy to encourage collective bargaining, and the principle of majority rule in representation for such purpose would be established. The company dominated union would be outlawed and the closed shop legalized. The bill would make it "unfair" for employers:

To interfere with, or to coerce employes, in the exercise of collective bargaining through representatives of their own choosing.

To dominate or to interfere with the formation or administration of any labor organization or to contribute financially or aid in the support of it.

To encourage or discourage membership in any labor organization by discrimination.

To discriminate against any employe for filing charges or giving testimony under the proposed act.

To refuse to bargain collectively with representatives of their employes.

Senate and House Clash on N. R. A. Legislation

The Senate and House seem definitely headed for a clash on N. R. A. legislation. The Senate has passed the Clark resolution extending the National Industrial Recovery Act to April 1, 1936, with certain amendatory provisions. The President has expressed his approval of the recommendations of the National Industrial Recovery Board, which call for new legislation for a two-year extension.

The Senate on May 14 passed, without a record vote, the resolution (S. J. Res. 113) to extend until April 1, 1936, the provisions of

Title I of the National Industrial Recovery Act. The text of this resolution was printed in the Information Letter for May 4. As stated in the report on the bill by the Committee on Finance—

"Two substantial amendatory provisions are included in the resolution, to apply during the period thus extended: (1) It is provided that no price fixing shall be permitted or sanctioned under the provisions of any code, except that provisions for the regulation of prices under governmental control may be included in codes for those mineral natural resource industries in which prices are now fixed pursuant to the provisions of any code and which the President finds to be so affected with a public interest; and (2) no code of fair competition shall be applicable to any person whose business is wholly intrastate.

"The resolution further provided that the President shall review or cause to be reviewed for compliance with the resolution, codes in effect on the date the resolution takes effect. To afford reasonable opportunity for such review, such codes are continued in effect (subject, of course, to cancellation or modification pursuant to the provisions of the resolution) for a period of 30 days after June 15, 1935, unless they are previously reviewed and superseded. It is specifically provided that no such code shall continue in effect after the expiration of such 30-day period unless the President has reviewed the code and approved it and finds that the code so approved conforms to the requirement of the resolution."

In the debate on the resolution Chairman Harrison of the Finance Committee made the following statement:

"Some may believe there will be an insistence on extending the life of N. R. A. for two years after the passage by the Senate of a measure extending its life until April 1, 1936, and if I should be honored by being named as a conferee in the conference between the two Houses, I should agree to nothing, but I should have the measure brought back to the Senate, if my conferees would agree with me, and let the Senate pass upon the question; and I say as much for any other changes that may be made in the joint resolution by the House. If the Senate should pass this joint resolution, and if the House should decide to write a new N. R. A., if I should have anything to do with the matter as a conferee in the conference between the House and the Senate, I should insist on the measure being brought upon the floor of the Senate and being considered over again as legislation."

The recommendations of the National Industrial Recovery Board, which the President has approved and which will be the basis of the new bill now being formulated by the House Ways and Means Committee, include the following as essentials of legislative action:

1. Two-year extension—This time is necessary to obtain the cooperation of industry in the formulation of codes, with assurances to management and labor of

reasonably permanent conditions. It is necessary to maintain an adequate personnel in the N. R. A.; to work out problems of code administration; to strengthen enforcement through judicial approval of methods, and to prevent the entire breakdown of labor and fair-trade practice provisions by chiselers who are already at work undermining the standards of fair competition. The extension of N. R. A. for a few months will bring rapid deterioration and disintegration of the whole industrial recovery program.

2. Adequate period for the revision of codes—Three to six months.

3. Improved statement of legislative policies and standards to give additional guidance and authority for administrative action.

4. Jurisdiction of N. R. A. limited to industries engaged in, or substantially affecting, interstate commerce. This will prevent the N. R. A. from taking in too much territory and will strengthen its legal authority.

5. Provision for voluntary codes and adequate authority for imposition of limited codes. Both are necessary. Voluntary codes to encourage improved business practices, including appropriate labor provisions. Limited codes to insure minimum wages, maximum hours, prohibition of child labor and section 7(a).

6. Definite authority and standards for the N. R. A. to prevent unfair competitive practices, especially those tending to monopoly and destruction of small enterprises.

7. Methods of code making and enforcement should be further defined; with enforcement primarily through injunction or cease and desist orders, and with provision for adequate protection of individual rights and small enterprises through opportunity for hearing and judicial review, and public control of all compulsory processes.

It is reported that hearings on the bill now being drafted by the House Ways and Means Committee will be started by that Committee on Monday, May 20th.

Revised Bill on A. A. A. Amendments Still Objectionable

Chairman Jones of the House Agricultural Committee on May 14th introduced H. R. 8052, which supersedes H. R. 7713, and which presents the latest views of the committee with respect to amendments to the Agricultural Adjustment Act. With reference to application of its provisions to canners, licensing features, and books and records clause, the new bill meets none of the objections voiced by the canning industry.

Advisory Council Reports on Social Legislation

The Department of Commerce made public on May 16th the report of the Social Legislation Committee of the Business Advisory Council on the old age securities section of the Economic Security bill (H. R. 7260). This report was laid before the President on May 14th by Mr. Gerard Swope, chairman of the committee, along with a report on the proposed unemployment insurance.

After calling attention to differences, in many important respects, between the old age securities provisions of the present bill and the recommendations made by the Economic Securities Committee and the

Advisory Council, and by Secretary Morgenthau, the Social Legislation Committee indicates that there is still need for further consideration before the law becomes effective and that, since the present bill does not make the contributory plan operative until January 1, 1937, the best course would seem to be to enact the old age assistance sections immediately, but delay action on the old age benefits, until 1936. The Committee suggests that in the meantime a commission could be set up to study the several plans and report to Congress by January 1, 1936.

In its report on the unemployment insurance provisions of the Economic Security bill, the Social Legislation Committee recommended that the bill be along the lines of grants-in-aid to states, that provision be made for employee contributions, that provisions with respect to contributions going to one general pool be modified, and that the employers' contributions be only on that portion of his payroll where the employee is subject to benefits if unemployed and not on the total payroll.

The Advisory Council is a body of about fifty business men, appointed by the Secretary of Commerce, which developed from a small group appointed in the early days of the Roosevelt administration. Membership in the Council is limited to fifty-two, new members being appointed by the Secretary of Commerce, as necessary, upon recommendation of the Council. The Council has an executive committee of sixteen members serving on the rotation principle, one-fourth of the committee changing every three months.

The Advisory Council's purpose is to serve as a medium through which the suggestions and views of business can be considered and placed before the appropriate branches of the Government. The Council's ordinary procedure is to refer subjects brought to its attention to a committee for consideration. This may result in recommendations or a report, which, when prepared, goes from the committee to the executive committee of the Council or to the Council as a whole, for such action as may be considered appropriate.

Following action by the executive committee or the Council as a whole, the report or recommendations then go to the Secretary of Commerce. Where the subjects relate to matters outside the scope of the Department of Commerce activities, the next step is for the Chairman of the Council to take them up with the Government office concerned through a committee consisting of a representative of this office, the Chairman of the Council, and the Chairman of the Council's committee which originally considered the subject. Final disposition of the subject may be in the form of a report to the President submitted by the Committee. This was the course followed in the report submitted to the President on the subject of social legislation.

The Advisory Council is not to be confused with the Industrial Advisory Board of the National Recovery Administration, although as a matter of fact about half of the membership of each of the organizations is composed of the same persons. The Industrial Advisory Board has to deal with questions affecting and arising from the administration of the National Industrial Recovery Act, the Board representing the industrial point of view.

Fruit Crop Prospects

Fruit crop prospects for the 1935-36 season are mostly favorable, according to the U. S. Bureau of Agricultural Economics, and indicate crops above the average of the last two or three years with certain few exceptions as follows:

Preliminary reports from the Gulf States indicate that the orange, grapefruit and other citrus crops in that area will be far below average, in marked contrast to the large crops of the 1934-35 season.

Low temperatures in mid-April damaged the soft fruit crops to a considerable degree in the Northwestern States. In all the Pacific Coast States, rains and general wet weather during and subsequent to the blossoming period of most of the fruit crops, excluding apple and citrus crops, have been unfavorable for pollenization and conducive to brown rot and similar infestations.

In the areas ravaged by severe drought during the summer of 1934 and in the northeastern section of the country, where bearing fruit trees were damaged by the extremely low temperatures of the 1933-34 winter and again severely taxed by the cold weather of the past winter, fruit trees have died in great numbers and many of the injured trees still alive are having difficulty in regaining their vitality and vigor. The crop from such injured trees will be small during the 1934-35 season.

There has been an abundance of buds and blossoms for all fruits except citrus in nearly all sections of the country. However, in the north central, northeastern and central Atlantic States there was considerable damage to these buds by cold weather in the early spring.

The apple outlook is favorable in most States. Except in scattered localities, very little winter damage has been reported.

Peach crop prospects in the southern States are more favorable than usual, but prospects are poor for most northern and eastern States because of damage resulting from two successive years of winter injury and the cold weather around blossoming time early this spring. Present prospects indicate that the tonnage of California peaches that will be produced in 1935 will be less than that harvested in 1934. Reports

from California growers indicate the presence of much more than usual infestation of curl leaf injury which may result in much distorted fruit and a reduced tonnage of No. 1 fruit available for canning and market.

Reports for 10 Southern States on May 1, indicate a 1935 peach crop of 17,118,000 bushels in these States, 11 per cent above the 15,415,000 bushels produced in 1934 and 22 per cent above the 5-year average (1928-32) of 14,045,000 bushels. The May 1 condition in the 10 States was reported at 68.2 per cent compared with 73.2 per cent on April 1. The average May 1 condition for the period 1924-32 was 59.8.

Cherry crop prospects are slightly above average for this time of the year in most states in spite of some damage from winter injury in Oregon and some disease infestation in California. The average condition for the 12 important cherry States as of May 1 was 75 per cent of normal.

The May 1 condition reports of the 1935-36 orange crop are consistently lower than last year for all producing states except California, which does not report for these crops until June 1. Freezing weather injured fruiting buds in Arizona, Texas, Mississippi and Louisiana.

The combined production of oranges and grapefruit of the 1934-35 crop (from 1934 bloom) indicated by May 1 reports, is 78,897,000 boxes, or 3 per cent more than the April 1 estimate of 76,599,000 boxes, and nearly one-fourth greater than the 5-year (1928-32) average of 63,546,000 boxes. The indicated grapefruit crop of 18,346,000 boxes is but slightly more than that reported April 1 and over 24 per cent greater than the 5-year average of 14,730,000 boxes. The indicated orange crop of 60,551,000 boxes is nearly 25 per cent greater than the 5-year (1928-32) average of 48,816,000 boxes.

U. S. Prepared to Purchase Chinch Bug Control Material

The Agricultural appropriation bill passed by Congress and now before the President for signature carries an item of $1,500,000 for financing a campaign to control chinch bug.

The campaign as authorized will be cooperative between the Bureau of Entomology of the U. S. Department of Agriculture and the several states in which chinch bug is prevalent. The appropriation will make possible the purchase in large quantities of barrier materials such as creosote, shown by experience in previous years to be particularly effective. The organization necessary for the chinch bug campaign and for immediate purchase, transportation and delivery of the barrier materials to all farm communities in the chinch bug areas is already fully set up so that the work can be started immediately upon approval of the appropriation.

Fruit and Vegetable Market Competition

CARLOT SHIPMENTS AS REPORTED BY THE BUREAU OF AGRICULTURAL ECONOMICS, DEPARTMENT OF AGRICULTURE

Commodity	Week ending May 11		Week ending May 4	Total for season through May 11	
	1934	1935	1935	1934	1935
Vegetables:					
Beans, snap and lima	646	601	507	9,465	7,086
Tomatoes	886	711	905	10,194	11,793
Green peas	130	350	183	3,466	2,680
Spinach	201	282	286	7,461	5,422
All other vegetables:					
Domestic—					
Competing directly	4,363	5,441	5,038	97,943	86,973
Competing indirectly	24	30	44	9,463	12,317
Imports—					
Competing directly	2	142	13	304	652
Competing indirectly	0	3	5	1,076	1,378
Fruits:					
Citrus, domestic	3,018	3,127	2,674	86,097	95,923
Imports	47	8	20	668	343
Others, domestic	2,542	1,151	1,598	22,458	23,700

New Cement Code Indicates Trend of Code Revision

A revised code for the cement industry, which eliminates from the code as originally approved on November 27, 1933, the provisions for allocation of output, control of new plant construction or increases in capacity, customer classification, and prohibition of sales below cost, was approved by the National Industrial Recovery Board on May 13, effective May 21.

The revisions in the cement code are apparently in conformance with the N. R. A. policy, as announced at various times, to remove from the codes provisions as to price and production control.

Hours provisions were also revised to tighten restrictions upon overtime and to substitute a basic 40-hour, six-day week for the former provision permitting a 42-hour week or averaging of a 36-hour week over a six months period. Standard labor provisions for the protection of employee welfare were added. Minimum wage rates are unchanged.

The open price filing system was revised to provide for filing with a confidential agent instead of with the Code Authority, and to conform to N. R. A. practice in wording and procedure.

In approving the revised code, the National Industrial Recovery Board deleted the final article, which stated that members of the industry "assenting" to the code did not thereby assent to modifications.

The Canning of Spinach

As stated in the Information Letter for March 16th, the Food and Drug Administration under date of March 14th announced to can-

ners and distributors of spinach that until further notice the Administration "will not regard spinach in No. 10 cans as containing excessive packing medium unless the cut-out weight falls below 60 ounces." This is a reduction of the weight previously required by the Department, from 66 to 60 ounces. The reduction is due to the fact that occasional spoilage of spinach in No. 10 cans has occurred in various producing areas.

In the meantime an intensive study has been made of the packing of spinach in No. 10 cans in order to determine whether this reduction should be permanent, or whether some other change can be made in the packing procedure which will provide equal safety. A preliminary statement containing many suggestions that have been developed as a result of this work has been printed as Circular 17-L, and is mailed today to all packers of spinach and other greens.

The 1934 Mayonnaise-Salad Dressing Survey Completed

The Foodstuffs Division of the Bureau of Foreign and Domestic Commerce has completed the 1934 survey on the distribution of mayonnaise, salad dressing and related products. Changes in production, methods of distribution, labeling practices, and container sizes are among the subjects covered. Copies may be obtained at 10 cents each from the Bureau of Foreign and Domestic Commerce.

Australian Fruit Pack

Revised estimates of Australian canned fruit production place the apricot pack at 275,000 cases of 24 30-ounce tins, the peach pack at 1,125,000 cases, and the pear pack at 450,000 cases. Exports to the United Kingdom, which have nearly all been contracted now, amount to 110,000 cases of apricots, 550,000 peaches, and 255,000 pears, according to the American trade commissioner at Sydney.

Frozen and Preserved Fruits in Cold Storage

The following table shows the holdings of fruit in cold storage reported by the Bureau of Agricultural Economics as of May 1, also a comparison with last year and with a five-year average:

	May 1, 1935	May 1, 1934	Five-year average
Apples:			
Barrels	67,000	87,000	150,000
Boxes	1,798,000	1,965,000	2,790,000
Baskets	1,561,000	930,000	1,045,000
Pears:			
Boxes	81,000	35,000	105,000
Baskets	1,000	14,000	6,000
Frozen and preserved fruits (pounds)	40,916,000	39,993,000	50,665,000

Department Store Sales in April

Department store sales increased from March to April by considerably less than the estimated seasonal amount. The Federal Reserve Board's index, which makes allowance for difference in the number of business days, for usual seasonal movements, and for changes in the date of Easter, was 74 in April, on the basis of the 1923-25 average as 100, compared with 82 in March and 75 in February. Total dollar volume of sales in April was larger than a year ago by 12 per cent, reflecting chiefly the influence of the later date of Easter this year and of the larger number of working days. The aggregate for the first four months of this year was 3 per cent larger than for the corresponding period a year ago.

Washington Industrial and Agricultural Legislation

The state of Washington now has an Agricultural Adjustment Act and an Industrial Recovery Act. The former provides for the regulation and control of production, storage, transportation, advertising, merchandising, price and distribution of agricultural commodities; approves and adopts provisions of the National Agricultural Adjustment Act and marketing agreements, etc.; authorizes licensing of handlers and processors and otherwise vests in the Director of Agriculture large powers of direction and control. The purpose of the state industrial recovery act is to encourage state and national industrial recovery by cooperating with the National Government in fostering fair competition, establishing standards of fair competition in trade and industry, etc.

House Approves Additional Appropriations for Agricultural Research

The Jones bill on agricultural research (H. R. 7160), recently passed by the House and now before the Committee on Agriculture and Forestry of the Senate, has as its major purpose the development and extension of the agricultural research programs of the Department of Agriculture and the state agricultural experiment stations, further development of the agricultural extension system, and additional endowment for land grant colleges.

The Secretary of Agriculture is authorized to designate or establish the agencies to conduct the research, which would be in addition to research under existing law. Forty per cent of the sums appropriated (a million dollars the first year and increasing to five million) are to be available for research under the Secretary. One-half of the 40 per cent fund is to be used by the Secretary to establish laboratories and facilities in the major agricultural regions at places selected by him and to prosecute research at such laboratories.

Sixty per cent of the funds for research are to be available to the states and territories for conduct of research by the experiment stations. Each state and territory is to be allotted an amount which bears the same ratio to the total amount allotted as its rural population bears to the entire rural population. The states and territories must match this fund.

For further devolopment of the cooperative agricultural extension system, the bill appropriates $8,000,000 for the first fiscal year following the enactment of the act, and for each fiscal year thereafter an additional $1,000,000 is authorized until $12,000,000 is authorized for each fiscal year. The sums are to be paid to the several states and Hawaii in the same manner and subject to the same conditions and limitations as the sums given to the states and Hawaii under the Smith-Lever Act of May 8, 1914.

Federal Trade Commission Acts on Labeling Case

The Federal Trade Commission has ordered a Pittsburgh firm to discontinue advertising Grande Italia tomato paste or sauce by means of phrases, pictures, vignettes, maps or other devices which imply or suggest that the product is made in or imported from Italy, when this is not true.

Exception is made that the wording, phrasing and designs of the respondent's present label may be used as a brand, label or in advertisements providing that "Made from Tomatoes Grown in the United States" is printed in close conjunction with the advertisement and in large and prominent letters.

The respondent consented to the Commission's order to cease and desist, having asked the Commission for permission to withdraw its answer to the complaint and waive further proceedings.

Bulletin on Bramble Fruits in Illinois

Owing largely to difficulties in controlling disease and lack of productive varieties, the raspberry industry in Illinois has declined markedly in recent years. Blackberry acreages have also declined for the same reason. The possibility of overcoming these limiting factors is discussed in a recent bulletin issued by the Illinois College of Agriculture entitled "Bramble Fruits: Raspberries, Blackberries, Dewberries—How to Grow Them." Factors to be considered in selecting a site for the plantation, soil preparation and management, cultural methods and harvesting and marketing are carefully dealt with in this publication. Detailed descriptions of varieties and their suitability to Illinois conditions are given, together with information on methods of propagation. The degree of occurrence of diseases affecting these

fruits in Illinois is covered, and a description of symptoms and the life history of the organism causing it has been included. Control measures are recommended.

Winter Vegetable Growing in Rio Grande Valley

The Texas Agricultural Experiment Station at College Station has issued, as Circular No. 73, a 40-page pamphlet entitled "Production of Winter Vegetables in the Lower Rio Grande Valley." Discussions of the individual products is preceded by information as to climate, soils, water supply, market outlets, and general advice as to selection and cultivation of crops. There is also information concerning the control of diseases and insect pests.

European Corn Borer Damage in 1934

The U. S. Bureau of Entomology has just released a report on estimates of damage caused by European corn borer in 1934. Based on surveys of selected fields, damage to market sweet corn in the one-generation area was shown to be 15.2 per cent of the crop value, while in the two-generation area similar surveys of selected fields showed loss of 20.7 per cent. Fields in both regions were selected to show the heaviest damage caused by the borer to market sweet corn. Ohio, Michigan and western New York are in the one-generation area. The two-generation area includes Connecticut, Massachusetts and the Long Island Sound regions and parts of Maine.

Estimated per-acre loss from the borer continued to be higher in sweet than in field and fodder corn in both areas and greater for all types of corn in the two- than in the one-generation area. Of the loss to all types of corn 54.6 per cent occurred on sweet corn.

During the first three weeks of September, 1934, a survey was conducted in the factories of various sweet-corn canning companies of western New York to ascertain the losses resulting from damage by the borer. Loss at the factory, as a result of borer damage to corn handled by these canners in 1934, was estimated at $10,655, or 2.1 per cent of the value of the delivered crop, divided between the farmer and the canner. The farmers producing this corn also incurred a very definite additional loss, as a result of culling borer-infested ears in the field at harvest. This has been estimated as twice that at the factory, less a certain sum received for some of the culled corn (sold for feed at $1.00 per ton), or approximately $20,519. On the basis of such estimates, the total money loss from direct borer damage to corn under contract to the 22 factories considered in this survey, amounted to approximately $31,174, and this estimate is considered conservative. Most of the loss resulting from reduced productivity of borer-infested plants

in the field is not included, nor does the estimate contain figures on the increased labor costs necessary to cull and trim borer-damaged corn during canning operations at the factory. This latter item is of considerable importance in some of the factories and has been estimated by various officials of the canning companies to vary from as low as 10 per cent to as high as 75 per cent of the normal costs of processing borer-free corn. Factory officials are also confronted with the danger of introducing borers into their canned corn.

Georgia Tomato Plant Situation

At the request of the Association's Raw Products Bureau, the officials of the Georgia State Entolomogist's office in charge of tomato plant certification have kindly furnished the following report as of May 15, on Georgia tomato plants for Northern shipment:

"The early plantings of Marglobe, Pritchard and Bonnie Best were seeded under very unfavorable conditions of drouth, so that very poor stands resulted. The stands were further decreased by blowing sand during early April and quite a shortage of these varieties resulted.

"Since April 12 to 15 weather conditions have been much better, and this fact coupled with the better germination of Baltimore seed resulted in very good stands of the Baltimore variety.

"At present there are many fine fields of Baltimore plants ready to move, but weather conditions in Indiana and the Midwest have been unfavorable so that comparatively few of these plants have gone out. They are rapidly becoming too large, and it is possible that a fair portion of these plants will be lost.

"Plants, generally, were available here earlier in the season than usual while the setting season in the consuming states came later. There has been a little late planting for the late season demand."

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